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A North Indian Village that Changed, 1954-2010

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What social, economic and cultural changes have occurred in Khaalaapur since 1954 when Cornell and Lucknow Universities conducted a base line study prior to government efforts to effect change.

Based on a comprehensive census survey of the entire village carried out in 1954, 1968, 1979, 2001 combined with anthropological observations conducted on twenty visits of three to nine months duration following an initial two years residence.

Statistical techniques of microdemography are used to assess changes in occupation, education, fertility, and urban migration.

Most of the community development goals set forth in 1954 have been achieved! This includes land reform, the construction of all weather roads, the multiple creation of schools including access to colleges and ITI institutes, upgrading of medical facilities including regular vaccination programs, the decline in overt discrimination against untouchables, and the education of 80 percent of upper caste women.

An assessment of the forces that contributed to these changes will then be ventured with the hope that other participants will help relate these micro findings to macro issues and policies.

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COHERENCE BETWEEN ENVIRONMENT POLICY AND SCHOOL LEVEL CURRICULAR PROCESSES IN NEPAL

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The advancement of education has made it critical to address our indefinite problems. At the same time, development and changing social attributes have been creating a negative pressure to our environment. This demands ecological citizenry practices to ensure continuation of our heritage to future generation. Environment Education in School has been doing this role to our society. In this regard this study is focused to assess the coherence between National Environment Policy and practices of Environment Education in Nepal. The study begins from the analysis of State policy documents to explore National Environment Policy and arrives at examining the ripples of Environment Education practices at the School level. In this process, the study explores the gaps between policy and curriculum and between curriculum and classroom practice.

The study takes multiple sources of evidences including relevant literature as one major source. The study is designed as a case study aligned to constructive interpretivism with qualitative approach. The study build its conclusion based on the core respondents; Policy Makers, Curriculum Developer, Curriculum Practice and Implementers (School), Students, and Parents.

The study reveals that there are gaps; penetration of Environment Education essence gets shallower at each step of its translation from policy to classroom practice. The study observes that the gaps are relatively higher in translating curriculum to practice. As noted above the policy to curriculum gap, curriculum to classroom gap, and curriculum vs. textbook teaching practices are other noted gaps. These gaps are thus challenges to realize the purpose of Environment Education at the School

level. The curriculum provisioned evaluation practices are malfunctioning in the School and needs an urgent address. All these gaps and malfunctioning are attributable to lack of professional expertise in institutions responsible for managing Environment Education.

The study finds that institutional practices of curriculum development being feebly guided by policies over ongoing conventional status quo. This has restricted it to get access to new advancements on the public education practices. Moreover curriculum as a dynamic process has not been practically valid for the institutions working with public education. Teachers admit the need for teacher training courses to effectively deliver intuitions of Environment Education to their audience, which is lacking at present.

Teachers admit them helpless in between curriculum and society. The societal understanding (exosystem) and expectation has been marching away from what national curriculum (macrosystem) has been aiming. They note curriculum goes wrong somewhere as it is not leading, and this may lead to dark. Referencing to Ecological System Theory, contradicting practice of exosystem to pose substantial higher impact to microsystem (individual and school) indicates macrosystem is malfunctioning. Stakeholders evaluate this is not going to develop an individual as well as the social education system; the education system is getting to a vicious trap.

Rethinking on curriculum practices (textbook and classroom practice) and evaluation systems in Schools can be an immediate address to some observed challenges. The study also indicates to focus on professional development of professionals involved in public education, especially the curriculum developer (Curriculum Development Center/Ministry of Education in Nepal) and ahead. Further it brings some issues for academic discourse on Education and Environment Education's function.

Key words: National Environment Policy, Education, Environment, Environment Education, Curriculum, Curricularist, Nepal, Case Study.

Summary:

The study reveals that the general claim of people regarding policy inadequacy to address to problems is not completely true. The challenges are higher at the level of implementation, but this is not the overall cause to weak transmission of planned Environment Education transference. The transmission gets shallower at each stage from design towards implementation, which is quite interesting. Despite the clearly marked gap are professional incompetency, displacement of it is unique practice found among the public servants (in public education) in Nepal.

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Re-invigorating South Asia by Deepening "Look East" Policies

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Until the early 1990s, South Asia had isolated itself from the global economy through the adoption of inward-looking development strategies. With post-1990 reforms, South Asia's economic dynamism increased and its economic growth shifted to a higher trajectory. These reforms together the adoption of "Look East" policies in South Asia and "Look West" policies in East Asia, have also led to early signs of the "re-emergence" of Pan-Asia.

Presently, South Asia faces two related challenges. The first is to make the recovery from the global economic crisis more durable, inclusive, and sustainable in the "new normal"—slowing growth in the industrial countries and faster economic and demand growth in emerging markets - that has emerged after the global economic crisis. The second is the slowing pace of economic reforms which was the key driver of the region's dynamic economic performance and resilience. Prime Minister Man Mohan Singh, the father of economic reforms in India, was expected to take reforms to the second phase after his re-election in 2009, but allegations of corruption and the ensuing political paralysis has slowed, and in some cases, reversed the pace of reforms. Prominent businessmen have questioned the government's commitment to continue the reform agenda. Accordingly, economic

growth has slowed to the slowest in decade as investors have lost confidence and the rupee is at an all time low.

This paper will argue that one way of re-invigorating South Asia is to deepen its “Look East” policies. Greater trade and investment with East Asia (defined as ASEAN+3) will not only re-energize South Asian economic integration which has stalled at a low level (for political reasons) but lead to greater economic dynamism in South Asia. Deeper integration within the sub-region and economic growth will, in turn, lead to the “re-emergence” of Pan-Asia.

Section II of the paper, will present estimates of quantitative benefits of South Asia-East Asia integration in the areas of trade and investment.

Section III, will identify the potential for integration between South Asia and East Asia. This will be done through static analysis by calculating various indices of revealed comparative advantage and trade complementarities. The potential dynamic benefits of linking South Asia to regional production networks in East Asia and global supply chains will also be analysed.

As is well known, manufacturing production networks (or vertical specialization) are a key characteristic of East Asian integration and growth dynamism. So far there has been limited engagement between South Asia and production networks in East Asia. Parts and components that constitute a large amount of trade within East Asia is only a small part of South Asia’s trade with East Asia.

Section IV, will review and recommend policies to link South Asia to productions networks in East Asia (and the world). It will argue that with the first round of reforms, South Asia has reaped the benefits of the low-hanging fruits through trade liberalization. Now there is an urgent need for South Asia to implement institutional reforms and to improve the environment for foreign investors. Data from the World Bank’s Doing Business Survey will be used. The paper will argue that with lower tariffs, trade facilitation policies to reduce non-price trading costs (including logistics) have become the more critical determinants of trade flows. Data from the World Bank and World Economic Forum will be used to review logistics costs in South Asia and recommendations will be made to reduce trade and logistic cost between South Asia and East Asia.

Trade facilitation is not only a question of logistics, but also of physical integration or connectivity. Section V of the paper will review progress in improving land connectivity between South Asia and East Asia. The gradual and cautious reforms in Myanmar, which is one node where South Asia meets East Asia, have generated interest in various connectivity projects that been talked about for some time in the past. The details of the “India-Mekong Corridor” project and others will be presented. The other node where China meet India, is Nepal and the potential of Nepal being a land bridge and an economic corridor between the two giants will be discussed.

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Restructuring the State in Nepal: The Difficulty of a Federal Bargain

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In May 2008, as the country was beginning its democratic transition, Nepali citizens elected a Constituent Assembly (CA) tasked with drafting a federal constitution. Despite all of the major political forces in Nepal being on record supporting federal structures, federalism has proven the most contentious question surrounding the adoption of a new constitution. Indeed, disagreement over the number of constituent units of a federal Nepal was a central reason behind the four extensions given to the original two year mandate of the CA. The fact that federalism has been the most controversial issue in constitution-making in Nepal is particularly meaningful considering the scope and importance of choices facing the CA, whose members have had to decide, among other things, on a system of government, a rights regime, and a judicial system.

Why is the basic design of the federal system proving so problematic in Nepal? In the literature, the origins of federal systems are typically located in elite pacts seeking to create common markets and security arrangements or to provide autonomy to communities with a historical homeland. Not only does neither situation apply very well to Nepal, but the literature is mostly silent on what causes frictions in negotiations over federalism beyond the behavior of maximizing self-interested actors or the autonomist pursuit of a specific historical community.

This paper will draw on historical institutionalism to account for the paradox of the difficulty to agree on federalism in Nepal despite the apparent unanimity between major political parties that federalism is necessary to manage the country's diversity (close to 100 groups are officially-recognized) in a democratic regime. It develops three complementary explanations for addressing this paradox. First, the paper explains that consensus on federalism hides lukewarm support, if not a reluctance, by key actors to build a federal system. Federalism was written into the interim constitution in 2007 when an uprising in the South of the country (Madhesh) required political guarantees that territorial autonomy would be part of the new framework. Second, the paper suggests that while some political forces, namely Madheshi parties and leaders of the country's ethnic communities, want federal structures based on ethnic identities, two of the three main political parties (Nepali Congress, NC; Communist Party of Nepal-Unified Marxist-Leninist, CPN-UML) have no history of opposing the state through ethnic identity politics and little appetite for 'ethnic federalism' while the other, Unified Communist Party of Nepal-Maoist, UCPN-M, publicly supports it because of its connection with the ethnic communities but is internally divided over the wisdom of institutionalizing ethnicity through federalism. Hence, disagreement over the extent to which the country's various ethnic identities should be represented in its federal structures makes it difficult to come to an agreement on federalism. Third, the paper shows that distinct, and sometimes antagonistic, ideas have been featured in the debate over federalism. More specifically, the idea of self-determination, readily associated with federalism by Madheshi parties and leaders of ethnic communities, coexists uneasily with political ideas such as 'national unity', 'sovereignty,' and 'development' that suggest a different, non-ethnically-based, federal structuring. Federalism has different meanings for different people in Nepal, which means that translating the concept into concrete structures, even a basic federal map, falls victim to underlying tensions.

This paper is divided into four sections. The first section poses the question of federalism in Nepal. It explains how federalism came to be part of the constitution-making process and how the various parties support different federal maps of the country, with the key issue being the extent to which the constituent units will represent ethnic identities. This section also queries the literature for insight into the question of the origins of federalism. Facing serious limitations as to the usefulness of this literature in explaining the difficulty in agreeing on a federal map in Nepal, I discuss how historical institutionalism presents great potential for effectively tackling this question. In the second section, I explain how the federal specification brought to the interim constitution in 2007 was the contingent product of timely pressures from the Madhesh. As a result, the apparent consensus on federalism is superficial. In the third section, I argue that there is, amongst Nepal's main political parties, much opposition to the notion of 'ethnic federalism', that is, against any federal structuring that would have constituent units become the political communities for specific ethnic groups. In the fourth section, I explain how tensions between different political ideas surrounding federalism further complicate agreement on federal structures. In the conclusion, I attempt to draw some implications of Nepal's experience for theorizing the origins of federalism.

Summary:

In 2008, as the country began its democratic transition, Nepali citizens elected a Constituent Assembly (CA) tasked with drafting a federal constitution. All of the major political forces of the country are on record supporting federal structures, yet federalism has proven the most contentious issue discussed within the CA. This paper will account for the paradox of the CA's difficulty to agree on federalism despite the unanimity between major political parties that federalism is necessary to manage Nepal's diversity (close to 100 officially-recognized groups) in a democratic regime. It will develop two complementary explanations for addressing this paradox. Drawing from historical institutionalism, the paper explains that federalism became unavoidable when, in a critical juncture in Nepal's democratic transition, an uprising in the South required political guarantees that identities would be recognized in the new framework. In other words, consensus on federalism really hides a reluctance to build a federal system. Drawing from discursive institutionalism, the paper shows that different ideas associated with federalism ('identity', 'inclusion,' 'integration,') mean that agreeing on a specific federal system is difficult. The research presented in the paper will be informed by 15 interviews conducted with CA members, party leaders, and constitutional advisors in Katmandu in 2011.

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In the wake of a ten-year civil insurgency in Nepal, scholars are looking back into the conflict to understand the social transformations influenced by the rise of the Maoist party. Using Stacy Pigg's three seminal articles on Nepal and development as a baseline, I explore data from 63 surveys recorded in the Jumla Village Development Committee in summer 2009 to understand how the Maoist presence altered rural attitudes about development and the Nepalese government. My data suggest that rural people have shifted from an expectation and reliance on the government and international aid and toward a cooperative and more self-sufficient model of producing change. These findings, I suggest, have implications for sustaining Nepal's recently-established republic as well as future work dedicated to improving rural livelihoods.

Summary:

While the recently-elected parliament of Nepal considers how to strengthen their fragile republic after a 10-year civil war, Nepalese scholars are looking back into the Maoist insurgency to understand what has changed (Hangen 2010; Lawoti and Pahari 2010). In their volume, Lawoti, Pahari and others posit some possible signs of transformation, but in the end concede, "The verdict is not clear... The Maoists did bring about major changes in relations among different caste and ethnic groups, and men and women, by violently pursuing the cause of disadvantaged groups... [but] whether the ongoing changes will have positive or negative impacts—or in what combination—in the society it is too early to tell" (2010: 322). Too early to tell, yes, but these scholars suggest that understanding how the Maoist insurgency transformed the country matters greatly to sustaining democracy while also having relevance for setting a foundation for widespread and equitable growth in Nepal. This paper attempts to contribute some insight to this important ongoing project.

Anthropologist Stacy Pigg wrote in 1992 that development had "more profoundly social meaning" for Nepalese than the international institutions and government policy-makers who dictated development's programs (496). Development writ large was not merely the programs and equipment that arrived from abroad to build roads, dig irrigation canals, and increase literacy. Rather, Pigg argued, development, for Nepalese people, became a very powerful optic (almost panoptic) through which rural people in particular were forced to view their lives and prospects for improving their livelihoods. In other words, development became ingrained in the social imagination of rural people. Because much of the Maoist rebellion and rhetoric was aimed at criticizing the unproductive (and corrupt) union between international development agencies and the Nepalese government, it begs asking how the insurgency may have altered this social imagination. Understanding this alteration, I argue, has implications for repairing the fractured and long-attenuated connections between Kathmandu and the rural areas.

In this study, I evaluate 63 community needs assessments collected in Jumla Village Development Committee in summer 2009. These surveys demonstrate a qualitative shift from the social imagination that Pigg described in her three articles dedicated to the topic of rural Nepalese and development (1992; 1993; 1996).

A secondary contribution of this paper is its discussion and detail regarding voices and opinions of rural Nepalese in extremely remote and impoverished parts of the country. As several scholars have noted, the current literature lacks a more nuanced understanding and theorization of peasant lives and agency in rural Nepal (Pettigrew 2004; Pfaff-Czarnecka 2004). Given significant cultural heterogeneity across Nepal and the wide range of possible non-Maoist influences (e.g., migration), early positions regarding the Maoist impact on the rural areas are only tentative. Portrayals of peasant resistance in the post-Rana period (since 1950) have tended to fall into reified categories of "false consciousness" or "failed development" (Leve 2007; Shneiderman 2009). In the history of social movements in Nepal, we need to examine why the Maoists were unprecedentedly successful in creating and mobilizing action and alternative discourses among rural people—and we need to do so without lapsing into easy classifications. Avoiding these traps, I believe, will produce knowledge that could illuminate potential avenues of reconciliation between the government and rural people.

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Sustained and high growth rate of output and low inflation are the two main goals of macroeconomic policies. In recent decades there has been a substantial theoretical and empirical work which investigates the inflation-growth trade-off. The results have been mixed and can be categorized in to four possible predictions based on these findings. Firstly, inflation has no effect on economic growth (see, for instance: Dorrance [1963], Sidrauski [1967], and Cameron et al. [1996]). Secondly, positive relationship between inflation and economic growth (for example: Tobin [1965], Shi [1999] and Malik and Chowdhury [2001]). Third, effect of inflation on growth rate of the economy is negative (see, among many others, Stockman [1981], Barro [1996], Andrés and Hernando [1997] and Saeed [2007]). Finally, correlation between inflation and growth is non-linear, that is the interaction between these two variables is positive or nonexistent below some critical level, but hurts the economy when it exceeds that level (Fischer, [1993]; Sarel, [1996]; Bruno and Easterly, [1998], Khan and Senhadji, [2001], Drukker et al., [2005]; Bick, [2010] and Kremer et al., [2011]). In this paper we investigate whether there is a non-linear relationship between inflation and economic growth for Asian economies.

This study is motivated by following reasons: First, most of the empirical work includes both industrialized and developing countries in their sample. Temple (2000) noted "One should probably be careful about extrapolating findings from one set of countries to another". He suggests "In general, it would seem best to study inflation's effect within OECD or a sample of relatively similar developing countries and not mix the two". Thus, this paper considers only the Asian countries.

Second, most of the growth related empirical literature, which seeks to identify threshold level of inflation, ignores the potential endogeneity bias explicitly (Khan and Senhadji, 2001 and Bick, 2010). On the contrary, some empirical literature solves the problem of endogeneity bias by excluding initial income from their growth regression (See Drukker et al., 2005). Further, Hansen (1999) assumes that all variable are exogenous in his panel threshold model. However, in the panel data growth regression there is uncertainty regarding number of endogenous variables; because some of the explanatory variables are endogenous by construction, for example initial income. Caselli et al. (1996) proposed that estimates are inconsistent in cross-country growth regression due to two reasons: (i) country-specific fixed effect, (ii) model contains endogenous variables among the explanatory regressors. In our model set up we considered these two issues to obtain the consistent estimates. Therefore, the issue of endogeneity could be reduced in this growth regression.

Finally, LDCs often suffer from macro-economic instability and they rely on international agencies such as World Bank (WB), International Monetary Fund (IMF), and Asian Development Bank (ADB) to stabilize the economy. Different agencies come with different guidelines and suggestions, e.g. reduce/increase the price, even without proper coordination among them. This makes policy makers more puzzle. Thus, at what level of inflation should Asian countries maintains to stabilize their economy

This paper investigates whether there is a non-linear relationship between inflation and economic growth for Asian economies. To that aim we ask following research questions.

Is there a threshold level of inflation, above which inflation significantly hurts the economic growth, for Asian countries? If there is, how does this threshold of inflation affect the economic growth of Asian countries?

*Is the threshold value statistically significant?

In this empirical application, we used balanced panel data of 32 Asian countries over the period of 1980-2009 to address the above questions. The sample size has been reduced by taking the two year averages of the data to eliminate the business cycle fluctuation. We employed the dynamic panel threshold model in our model set-up. As suggested by Arellano and Bover (1995), we applied forward orthogonal deviation operator to eliminate the individual fixed effect. The endogeneity issue is tackled by 2SLS method for any given threshold level that uses whole set of lags of the initial income as instruments on the basis of Roodmans' (2009) 'Collapsed' form GMM style instruments to deal with endogeneity problem. First we investigate threshold level of inflation using conditional least square method by changing the inflation threshold from minimum to maximum with decimal value of increment. Once we determined the threshold level, we estimate the second question using Generalized Method of Moment (GMM) with previously used instruments and estimated threshold

level. We carry out joint hypothesis test to answer the last question. This work employs different estimation techniques (e.g. Bias Corrected Least Square Dummy Variable estimate) to test the robustness of the effect of threshold inflation on economic growth.

We found the evidence of nonlinear relationship between inflation and economic growth. The computed results indicate that the inflation threshold is approximately 5.43% and statistically significant at 1% significance level. Our estimated threshold statistically differ from existing empirical research, which placed from 8 to 40% for developing economies and 1-3% for industrialized economies. Inflation impedes the economic growth significantly when it exceeds 5.43%. This non-linear effect is quite robust with respect to different estimation methods. This research finding could be useful to policy makers and central banks as a guide for inflation targeting.

Keywords: Dynamic panel threshold model, inflation, inflation thresholds, Economic growth

Summary:

This paper examine the empirical study on the inflation-growth nexus for 32 Asian countries using 30 years panel data. The period of study is over 1980-2009. We used a dynamic panel threshold model in this panel setup. We find evidence of nonlinear relationship between inflation and economic growth. The computed results indicate that the inflation threshold is approximately 5.43 percent. Inflation hurt the economy when it exceeds 5.43 percent and does not have any significant effect on growth when inflation below 5.43%. This non-linear effect is quite robust with respect to different estimation methods. This research finding could be useful to policy makers and central banks as a guide for inflation targeting.

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Impact of Climate Change on Human Livelihood and Agricultural Growth in Himalayan Country Nepal

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ABSTRACT

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Impact of Climate Change on Human Livelihood and Agricultural Growth in Himalayan Country Nepal

ABSTRACT

Motivation for the Study

Present-day worrisome of the globe is augmented and adverse impacts on human life and their activities induced by the rising global warming, climate change and increased food insecurities. Global warming and climate change might have all-round impacts in the ecosystem directly or indirectly, however its impact on agriculture can be understood direct and proportional as it is more dependent on natural nurture. This concern is equally applicable to Nepal also as there has been observed early symptoms of climate cruelty and alarmingly increased temperature almost in double pace within shorter time horizon compared to global temperature rise. Furthermore, Nepal is a rice importer in the latest years whereas she was rice exporter in the past. Likewise, amidst the Millennium Development Goals (MDG) and Agriculture Perspective Plan (APP) 1996 –2015, Nepal always faces food deficit in more than 27 districts in the hill and high hill areas. Productivity and quality of food production is also in question in Nepal as both of them are in deterioration. Excess and unscientific use of chemical fertilizer and pesticides has further prompted for health hazards and soil contamination in particular and increasing pollution in general. Observation of such results is believed to be the consequences of rising global warming and climate shift.

In this milieu, the proposed paper, on the quantitative front, tries to explore the time trend and interrelationships of agriculture gross domestic product (AGDP), use of agriculture inputs (chemical fertilizer, pesticides, improved seeds, irrigation etc), agricultural productivity, precipitation, and temperature. Based on these variables, this equally delineates with the quantitative modeling to find out the likely impacts of climate change on AGDP in Nepal. Similarly, on the qualitative analysis part, it will highlight the current trends of human habitats displacement and their rehabilitation problem of the climate hit areas in Nepal. Gradually, Nepal is transforming a place 'climate refugees'. Such attention grabbing scenario is the motivation of doing this research and its objective is to make it known loud and clear to the national and international platform as an early warning indication.

Coverage and Methodology

The study has covered quantitative and qualitative information on impact of climate change and its impact in Nepal especially on human activities and agricultural production. For this, several related data and information have been collected from primary and secondary sources. As a descriptive means, the paper gives a time trend of the incorporated variables in the model. The variables included are - AGDP, use of agricultural inputs (chemical fertilizer, improved seeds, pesticides, irrigation etc), annual temperature (maximum, average, minimum) and rainfall in Nepal. The data for quantitative analysis has been used for 36 years (1975-2010) subject to availability of the unbroken series of the variables concerned. Afterwards, econometric model is formulated and tested by contemporary tools.

The model is built as:

$$AGDP = f(\text{rainfall, temperature, agri-inputs, irrigation, } u)$$

For the qualitative analysis, real field level experiences and secondary references will be sought as a case citation. Mainly four to five instances of village level climate impact its consequences will be discussed in the paper to exemplify the impact of climate change on human activities and life.

Expected Results

Following results/consequences have been expected from the current study concerned to impact of augmented green house effects and climate change (preliminary results suggested so):

In the Quantitative Analysis:

1. Agricultural GDP of Nepal is affected by the hosts of factors incorporated in the above mentioned model.
2. Agricultural GDP of Nepal is positively affected by agri-inputs.
3. Rainfall has positive impact on Agricultural GDP in Nepal.
4. Temperature has negative impact on Agricultural GDP in Nepal.

In the Qualitative Analysis:

1. On the whole, within the 36 years (1975-2010), temperature in Nepal has increased faster than the global average (more than double).

2. The pace of temperature rise and climate change is more rapid in hill and high hill area compared to plain (Terai) area of Nepal.
3. Especially in the latest one decade, displacement of habitat, especially in the Himalayan and Hill Area in Nepal is on the rise.
4. Cost of rehabilitation (financial cost, psychological cost, disorganization of regular life etc) is increasing at state level and individual level both.

Summary and Conclusion:

The paper will have a Chapter Plan. It will summarize accordingly. Basic objective of this research study is to explore the current situation regarding impact of global warming and climate change on agriculture production in Nepal as it is directly related to the agriculture sector. Secondly, it will survey the ground level experiences of impact of climate change in Nepal. Based on the findings and conclusions, the paper will try to aware the concerning stake holders (government, central bank, other policy executing organizations, academia, international organizations, donors, industrial communities, user groups, environmentalists, pressure groups, journalists, general public and others) by proposing the policy recommendation and strategy proposition to help abetting the impact of climate cruelty. This type of study hasn't been carried out before in Nepal; hence it would be a valuable addition to the stock of literature in the environmental management and climate change field as a reference material for shaping out the policy and strategy in Nepal.

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Summary:

This paper will have a chapter scheme. Econometric testing will be performed in a step-by-step process with tacking due care of time series properties. Cause and effect relationship will be analyzed. Stylized facts will also be presented with trends and ground level experiences. Finally policy prescription and strategy proposition will be extended and made public to make aware of the government, central bank, other policy executing organizations, environmentalists, donors and international organizations, journalists, user groups, and general public. Main focus of the research paper will be on sensitizing the thoughts towards climate threats mitigation in Nepal.

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Decentralization and Development in India: Issues and Challenges

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Decentralization and Development in India: Issues and Challenges

K.N. Bhatt*

Abstract

This paper analyses possibility of synthesizing the process of decentralized development and globalization for people's empowerment in human rights context for ensuring their right to development. It examines various contemporary theoretical perspectives of participatory development and social justice. Issues concerning creation of the decentralized democratic institutions of development at the grassroots level within the existing constitutional provisions in India to erase the adverse impacts of global markets and increase productivity, efficiency and equity are discussed. The paper is broadly divided into four sections. In the first section issues concerning the theoretical perspective of social justice, decentralized governance/development and empowerment are examined. The second section analyzes experiences of development planning and ground results in India. The existing constitutional provisions for initiating a process of decentralizing development at local level and how the state governments have implemented these provisions in practice are highlighted in the third section. Finally, the fourth section is devoted to concluding remarks.

Numerous varieties of the state sponsored 'socialism' may be treated as the basic subject matter of bringing in distributive justice and social development in an economy/society in context. The Gandhian system of Panchayati Raj was visualized for evolving a decentralized economic and political structure with economically self-sufficient and politically self-governing village republics in India. The 73rd and 74th constitutional Amendment Acts in 1992 has been brought in to realize the Gandhian Vision. It sought to deliver power to the people and aimed to evolve a true and transparent democratic social order. Unfortunately, most of the state government till date, has failed to create institutions of local self-governments by truly transferring power to them. Only the state of Kerala today presents a fruitful model of social development with high levels of human and social development worthy of being replicated elsewhere. By learning lessons from within such progressive states, the non-performing States may come forward to bring in social justice. In order to ensure the fully empowered third tier of governments called 'Village Republics' and evolve an effective participatory development and democracy, a complete devolution of power to the grassroots level needs to be put immediately in action.

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Valuing Health Risks against Storm Damages Given the Presence of Private Defensive Strategies, Public Programs, and Natural Barriers. Evidence from Bangladesh Coastal Areas

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With climate change, the frequency of natural disasters like tsunamis, hurricanes, tidal bores and other large storms is expected to rise and it is becoming increasingly difficult for the government to support enough public initiatives to properly protect coastal communities [1;2]. In an attempt to find solutions to this problem, our research examines two key issues that influence the way in which communities protect themselves from storms and to minimize the impact of any damage that storms produce. The first issue is to see whether public protection programs in terms of public disaster relief and rehabilitation have the potential to partially or fully crowd out private storm protection actions. This behavioral pattern is termed the 'charity hazard' [3;4]. The second issue of our research assesses the impact of living in close proximity to a natural storm protection barrier such as the mangrove forests on private storm protection actions.

Since scientific evidence on global climate change indicate that coastal areas with high population densities and abject poverty might experience more damages as a result of cyclone and storm surge events [1], our study focuses on possible household behavioral responses in such vulnerable areas given the presence of government programs and the mangroves. Considering the higher risks and uncertainties associated with storm-inflicted damages to life and property, we expect that a household located along the coast might be forced to engage in ex-ante actions to mitigate or protect against possible future storm-inflicted damages. Under incomplete market insurance, private investments that reduce the probability of such storm damages occurring are known as “self-protection [4;5],” a form of prevention, and the expenditures that reduce the magnitude of the environmental risk if it is realized are known as “self-insurance [4;5],” a form of adaptation. However, the level of ex- ante private investment against storm-inflicted damages might differ among households because of risk perception [6;7] , expectation of public protective programs [8;3], and location of the household relative to the coast and natural coastal barriers [9;10].

To fulfill the research objective, this paper introduces a theoretical model combining a household production function with an endogenous risk framework where households choose the level of ex-ante private spending against ex-post cyclone induced storm surge damage risk. The model is applied empirically to a case study of household’s choices on the participation in and the level of ex-ante private storm protective spending in southwest coastal areas of Bangladesh, a low-lying densely populated nation most vulnerable to climate change [1;2]. The case study is based on a household survey data comprising 500 households among 35 villages focusing on the aftermath of Cyclone Sidr, which made landfall on 15th November 2007.

Results from the theoretical model confirm the influence of public protective programs and the mangrove forest on private defensive expenditures based on whether the public programs serve as possible substitute or complement to the storm protection provided by mangroves. In addition, the benefit to the household from an increase in ex-post public relief and rehabilitation programs depends only on the ratio of the marginal productivities of self-insurance and a household’s access to these public programs. However, the comparative statics reveal that ex-ante public programs are complements to self-protection expenditures but substitutes to self-insurance whereas ex-post public programs are substitutes to self-protection but complements to self-insurance. Consequently, we might observe ‘full’ or ‘partial’ crowding out effect on household’s self-protection and self-insurance activities given the presence of mangroves.

The empirical results on the full sample of the case study area reveal: (i) With respect to the first issue of crowding out, presence of public disaster relief and rehabilitation programs leads to households being willing to invest more in self-insurance but less in self-protection. This might imply lack of trust among people on government programs once a disaster strikes; (ii) With respect to the second issue of the effect of living near mangrove forest, results show households protected by mangroves are less likely to participate in self-insurance. This could indicate that households in non-protected areas have higher expectations of facing future storm-inflicted damages than households in the mangrove protected areas; (iii) Income and size of assets have a strong influence on a household’s choice of self-protection and self-insurance; (iv) middle income households are more likely to participate in self-protection and self-insurance compared to low-income and rich households. This is probably because middle-income households perceive that they are more likely to lose from storm-inflicted damages since low-income households with few assets incur little damage, and richer-households with more capital can effectively prevent damage. However, results also show that location of household, socio-economic and geo-physical factors have considerable influence and add a degree of complexity to the relationships.

Since eco-hydrological studies reveal that there are uncertainties surrounding the capacity of mangroves to protect life and property against tsunami-type storm surges [11] and the government’s own capacity to cope with disasters based on its institutional capacity [2], it is imperative for the government to encourage more collective and individual participation in storm protection activities. The government should also ensure that these programs are sustainable in the long run taking into account the widespread poverty and limited insurance markets facing the Bangladesh coastal communities.

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Summary:

This paper examines whether public disaster relief programs and the presence of a natural storm protection barrier such as a mangrove forest influence a household's willingness to employ ex-ante self-protection and ex-post self-insurance spending to protect the health of its members from a future cyclone. Our theoretical model based on a health production function under an endogenous risk framework reveals possible estimation methods to derive households' ex-ante marginal willingness to pay for reducing health risks due to an increase in public programs and the greater storm protection role of mangroves. Results show that these marginal willingness-to-pay measures can be derived without the expected utility terms since they are function of only prices and technological parameters. Our empirical analysis of coastal households of Bangladesh impacted by Cyclone Sidr reaffirms the possible influence of mangroves in saving lives or reducing storm-inflicted injuries. However, the probability of a household experiencing more health-risks from a major storm is higher if it is living inside the embankment (a form of ex-ante public programs) and has access to public disaster relief programs (a form of ex-post public programs). Demographic characteristics such as age, number of females and children have considerable influence on the likelihood of a household facing storm-inflicted health risks but not on medical expenditures to storm-inflicted injuries. To reduce storm-inflicted health risks, results reveal that the households are willing to pay the highest for greater storm protection role of mangroves followed by ex-ante embankments and ex-post disaster relief programs.

Key words: Self-protection; self-insurance; storm-inflicted health risks; mangroves; Cyclone Sidr; Bangladesh.

JEL Classifications: D81, H31, I12, Q54.

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Living on the edge: Exclusion of LGBTI population in Nepal

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The purpose of this exploratory study was to comprehend the experiences of exclusion of LGBTI persons in Nepal. Relying on Arjan De Haans concept of multi-dimensionality of deprivation and the relations and processes that cause deprivation, study attempts to analyze the existing condition and consequences of exclusion/ deprivation on the LGBTI persons in Nepal.

With the new democratic polity and pluralistic pretensions, the claim of LGBTI persons in present Nepalese context has emerged as an expression of what was dormant in the earlier ruling. Although public expression of LGBTI issues in Nepal is relatively a recent phenomenon, it is evident that Nepal's national legal framework provides a good basis for addressing protection for LGBTI persons. For instance, in December 2007, the Supreme Court of Nepal issued a landmark decision which reinforced fundamental rights of sexual and gender minorities. However, because of the false stereotypes and superfluous bigotry LGBTI persons have difficulty in expressing their real "self" and leading a respectful life. Consequently, LGBTI persons are still compelled to suffer from various manifestation of social exclusion.

This paper attempts to explore the following research objectives:

- To explore the social relationship of LGBTI persons both in an individual and institutional level
- To assess their level of access on formal education and employment
- To comprehend the repercussion of exclusion and discrimination on LGBTI persons

Qualitative methods were employed to collect, analyze and interpret the data. The Snowball approach was applied to select participants and in-depth interview, direct observation, case study and documentary evidences were employed to collect the data.

The study findings suggest that belonging to the LGBTI community means having poor familial relation, limited social contact, less education and fear of being unemployed. The evidence suggests how the various kind of prejudice that LGBTI persons experience such as rift from the family set-up, the sense of loneliness and imperceptibility they experience at school/college and workplace. The study clearly delineates the fact that LGBTI persons are deprived from different life enhancing opportunities at the same time. Hence, the disadvantages faced by LGBTI persons are interrelated and not mutually exclusive.

Specifically, my findings suggest that LGBTI persons do not have favorable environment to acquire education and employment of their interest. High school dropout rates, many suicidal cases and thought of committing suicide makes it evident that people from the community are not privileged to acquire education of their interest.

The study also indicates that economic independency determines the happier and healthier life of LGBTI persons. But the fear of not getting job with a revealed identity has further exacerbated their condition and compelled many to be in the closet. Those LGBTI persons who are financially assisting the family are leading life of content but those who are struggling to earn for themselves have the higher chance of getting involved in illicit activities. Also, limited social relation only with the community people seems to be the major factor responsible in deteriorating their condition.

Hence, the study findings clearly exhibit the way multiple forms of discrimination amalgamate to put these people at risk of exclusion.

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Wildlife Sanctuary Ecotourism in Kerala, India: An Alternative Source of Livelihood for Resident Tribal Families

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The Parambikulam Wildlife Sanctuary in the southern Indian state of Kerala was established in 1962 as a reserve and enlarged in 1973 and 1985 to become a 285 square kilometer sanctuary with significant botanical and wildlife habitat. The setting and diversity of animals, including 268 bird species, 39 species of mammals, 61 species of reptiles, 47 species of fish, 16 species of amphibians and 124

species of butterflies, making Parambikulam a tourist destination. Due to its remote location and access only through Anamalai Tiger Reserve, a section of Indira Gandhi National Park in neighboring Tamil Nadu. There are no private tourist facilities nearby (unlike parks such as Corbett and Rathambore) and the sanctuary itself provides lodging and meals for tourists. Over 47,500 people visited the Sanctuary in 2011-12, with a daily limit of 200 visitors. Private vehicles are limited to 30 per day. The authors visited Parambikulam in the winter of 2011-12 and found it an excellent example of making local livelihood a key component of park management. Methods of data collection included interviews, photo records and field evaluations with tribal guides.

The Sanctuary is home to four indigenous communities with a population of over a thousand. These tribal people were persuaded to sell their grazing cattle in return for alternative jobs in the Sanctuary's operation where 200 are employed. The jobs are dependent on natural resources, reinforcing the importance of conservation. One reclusive tribe participates mainly in animal census taking and wildlife protection. Visitors are required to engage the services of a tribal guide and tribal people run the food and lodging services with Forest Department supervision. The Forest Department has established seven eco-development committees to direct ecotourism benefits to tribal communities, with activities ranging from trekking and ornithology to cultural performances and ecosystem protection. The department also promotes natural resource education for visitors and residents. To reduce plastic refuse, plastic bottles are not permitted in the Sanctuary, and bottles of purified water are sold at the entrance with a refund when returned.

Are the conservation successes of Parambikulam transferable to other reserves in India and South Asian countries? Or does the remote location and special circumstances of access make it unique? Are there components of the management plan that could serve as models for other protected ecosystems? Tiger poaching has been a problem in other areas of the country. When asked if tigers are ever killed by poachers in the reserve, a guide was clearly shocked by the notion and replied that it does not happen there. The three dozen or so tigers are so clearly important to the current welfare of the local people that protecting them has become the job of local people who have many eyes and ears in the forest. In July 2012, a proposed tiger reserve in Tamil Nadu was protested by 4,000 tribal people who were not consulted about being moved away from their traditional homes. The government relented.

Key to the Parambikulam plan has been attention to employment of sanctuary residents in varied aspects of eco-tourism, from forest watchers and census takers to jobs involving direct contact with tourists. For example, instead of transporting tourists quickly by motorboat to the Island Nest for an overnight stay, four tribal rowers ferry guests for a quiet hour across the water. Once docked, the rowers ready the quarters then become cooks, preparing the evening meal and breakfast. A tribal guide leads a tour of the island before tourists are taken back to the boat for the return. Each of these trips provides two or three full days employment for five local men. In addition to guiding, tourist-related jobs include numerous kitchen and lodging maintenance staff, tribal musicians and dance performers. A shop at Anappady, managed by tribal people, sells local forest products such as honey and eucalyptus balm. Women as well as men are employed. Such an ambitious plan requires imagination, monitoring and constant refining, but can be effective in protecting the ecosystem, providing livelihoods for the local people, and a rich experience for visitors.

Divisional Forest Officer Sanjayan Kumar was concerned but optimistic about how the ecotourism project would affect the Sanctuary: "No forest is safe when it is opened for tourists, but if we open it in a controlled manner, we can still achieve conservation objectives. One can't achieve an oasis of conservation in a socioeconomic desert. We have to empower the poor tribals living in and around the sanctuary who are paying the price of conservation for people in the cities. By providing sustainable, low-intensity eco-tourism we empower the local communities and also involve them in conservation."

Coalition Formation in Climate Negotiations: Insights for Mountain Coalitions

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This paper investigates coalition formation in climate negotiations. By using the Alliance of Small Island States and the Coalition for Rainforest Nations as case studies, a coalition formation model is created to provide the basis for recommendations for the mountain coalitions. After providing the narratives of the two competing models of the mountain coalitions, the coalition formation model is used to identify gaps. Significant areas of convergence exist between the two coalitions and the primary bottleneck lies in taking the work of the technical experts into the negotiating arena. Problem solving workshops can be used to create a common vision to allow the two coalitions to join their efforts. High-level political commitment can anchor the achievements of such an exercise and instill an atmosphere of trust and purpose to help the parties coalesce. Substantive areas for collaboration, among others, can include expanding research and observation of the cryosphere, recognizing rangelands and agricultural lands as carbon sequestration pools, and the role of black carbon. Political groups like the Group of 77 and China can maintain neutrality over issues of interest to some of its members. Formation of issue based coalitions marks greater participation of countries in the climate negotiations while retaining original political alliances.

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Nepal's stalled Political Transition, what next?

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The dissolution of Nepal's Constituent Assembly (CA at the end of May 2012 came as a shock to the people of Nepal as well as to friends and observers of Nepal's political transition. Elected in April 2008, the CA became the focus of Nepal's hopes for a compromise among the country's hyper mobilized and extremely divisive political forces. The dissolution of the CA was accompanied by scheduling of new elections for November 2012. Amidst continuing wrangling among Nepal's major political groups, the likelihood of November elections appears remote. As a result, political uncertainty looms large on Nepal's political horizon. What are the likely scenarios that may ensue in Nepal? Will the next stage of Nepal's political experience be able to draw upon in any significant way on the experiences and compromises reached by the dissolved CA? What can one learn from the CA fiasco about negotiating democratic transition in a highly contested environment? Does Nepal's political experience offer some lessons for analyzing what is emerging as the latest trend in democratic transition: grassroots forces narrowing elites' choices in negotiations. These questions are a just a few of many that one can ask to make sense of what has happened in Nepal and what is likely to follow. My paper will seek to answer some of these questions. I will draw upon theories of democratic transition, my field works and scholarship, and on available published materials, and future interviews with Nepali leaders and academics to prepare the paper. The paper will be relevant to understanding Nepal's case as well as to broader contexts of democratic transitions.

Summary:

The paper will examine the trajectory of events leading to the dissolution of Nepal's Constituent Assembly in May 2012 and the likely future scenarios.

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Inequities in Antenatal care in Nepal: An Ecological Perspective

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Background

Despite significant improvement in life expectancy (66 years) over time, Nepal is one of the few countries in the world where a woman's life expectancy is lower than her male counterpart's. Lower female life expectancy is a consequence of higher childhood mortality among girls and high maternal mortality. Nepal also has one of the highest maternal mortality rates in the world, estimated at about 850 to 1000 per 100,000 live births. Every year, thousands of women die during pregnancy and child birth due to preventable causes in Nepal. Although availability of routine antenatal care is fundamental in preventing maternal mortality, Nepal has still not been able to successfully launch maternal mortality prevention programs. Literature supports that there is a positive relationship between socio-economic status (SES) and healthcare consumption patterns. While socio-cultural factors play a role in healthcare utilization, poverty is seen as a major determinant of poor maternal healthcare. Access to health services is often cited as a critical determinant of health care use where an increase in distance to the health facility is associated with less use. In addition to access, studies have repeatedly addressed inadequate referral linkages, poor quality care, high out-of-pocket costs for consultations and transportation, high levels of illiteracy, and gender bias as factors that contribute to poor utilization of health care in Nepal. However, these propositions often ignore the ecological and social constraints that either mediate or moderate the relationship between SES and maternal health outcomes.

Purpose

While healthcare consumption is likely to be influenced by both availability and accessibility, access to healthcare could still be constrained due to ecological factors despite affordability. In Nepal, the rugged terrain adds to this complexity. There are three distinct ecological zones in Nepal- Mountain, Hill, and Terai. Although data suggest a 33 % increase in antenatal care from 2006, disparities exist between these ecological zones. Most doctors, hospitals, and health facilities in Nepal are concentrated in the larger urban settlements, especially in the main towns in the Terai and the Hill districts. The purpose of our study is to examine the relationship between SES and antenatal care across the distinct ecological zones in Nepal with an emphasis on the physical environment as a component of ecological effects on the utilization and consumption of antenatal care.

Data and methods

We hypothesize that the effect of SES on antenatal healthcare is likely to vary significantly across the three horizontal ecological belts: Mountain, Hill, and Terai. Using the 2011 Nepal Demographic and Health Survey, this study examines the relationship between ecological variables and socio-economic variables such as age at marriage, education, income, and family size in understanding the links of health inequities between the ecological zones. Data analysis will be performed by regressing antenatal visits on the selected determinants such as age at marriage and family size, as well as on the control variables, income and education. Regression models will be used to test the assumption and new interaction variables of ecological divisions with each of three independent variables will be constructed.

Results

In progress

Implications

This study is distinct in its systematic examination of the effect of socio-economic variables on antenatal care utilization across the three ecological zones in Nepal. Empirical investigation of ecological context at the macro level and its impact on the use of antenatal care also increases the understanding of individual reproductive behavior. This study has policy implications in the areas of reducing health inequities and filling the service gaps in antenatal care services in Nepal.

Gender Mainstreaming in Nepal: Policy and Practice

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This report assess the overall performance in gender mainstreaming and promoting gender equality in Nepal and what has been done to incorporate gender mainstreaming policies and practices. United Nations Fourth World Conference (UNFWC) on Women in Beijing, 1995 adopted the Platform for Action which called on governments and other actors to “promote an active and visible policy of mainstreaming a gender perspective in all policies and programmes, so that, before decisions are taken, an analysis is made of the effects on women and men, respectively”. Even though there are no specific guidelines on ways to develop and implement gender mainstreaming policies, many countries have adopted a national plan for gender mainstreaming as a result. Although Nepal already rectified the International Convention on the Elimination of all forms of Discrimination Against Women (CEDAW) of 1979, and the International Covenant on Economic, Social and Cultural Rights (ICESCR) and International Covenant on Civil and Political Rights (ICCPR) of 1966, successfully creating an inclusive democracy with non-discriminations, equality, and participation to promote human rights have been difficult to reach. After ten years of armed conflict and popular movement of

2006, Nepal has committed itself to address these issues again through the preamble of Interim Constitution of 2007. It promises to progressive restructuring of the country to solve the problems based on the discrimination of gender, race, caste and religion. However, without the permanent Constitution in place and ongoing political upheavals, Nepal still struggles to attend to these issues fully. Hence, this paper will explore the scope of gender mainstreaming in Nepal using data from the Nepalese Living Standards Surveys 1996, 2004, and 2010 and its implications to policies and practices.

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A Comparative Study of Witchcraft in Ghana and Nepal

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Witch hunt is an often overlooked but major social problem in many of the societies in the Global South. Ghana and Nepal represent two such societies where modern-day witch hunt is frequently reported. This study examines the commonalities and differences in witchcraft beliefs and practices in Ghana and Nepal. Among the issues explored are superstition, characteristics of victims and the perpetrators of witch hunts, as well as the socio-cultural contexts within which witch hunts occur.

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Ethnic Wage Differential in Nepal: The Cost of Being Dalit.

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This paper analyzes the wage differential between different caste groups with the main aim of finding if minority caste group, known as Dalit, faces wage discrimination in Nepal. The paper uses data from Nepal Labor Force Survey-I, which is the first multi topic national labor survey conducted by Central Bureau of Statistics, Nepal during 1998 and 1999 and includes data from all across the country with each detail of work type and payment basis.

The paper uses Oaxaca Decomposition method to find wage differential between different caste groups keeping middle caste as the base caste. The results showed that there exists discrimination for Dalit. The earning differential is highest for Dalit among four caste groups and 68 percent of that earning differential is attributed to the differential due to coefficient. The wage gap between middle caste and Dalit is 0.902 which is around 34 times higher than the wage gap between middle caste and upper caste; and around 3 times higher than the earning gap between middle caste and regional caste. In addition, Dalit has average earning 6.85(Rupees per hour) which is less than mean earning of the sample which is 6.88(Rupees per hour). Therefore, we could conclude that the wage gap is caused by wage discrimination for Dalit. There is room to explore different reasons of wage discrimination for further research.

Summary:

The paper has found that there exists wage gap between each caste group. Dalit has the highest wage gap. Based on the Oaxaca decomposition result, we can conclude that there exists wage discrimination for Dalit. As with other studies that have been conducted it is found that ethnic wage differentials are quite large. Having such large ethnic wage differentials confirms that ethnic class discrimination does indeed exist in Nepal. Ethnic diversity not only can have a negative impact on the economic development of a nation it also is the source of wage differentials as this paper has found.

This research has only calculated ethnic wage differentials between four ethnic classes, an attempt to determine the source of the discrimination is not accomplished. This paper does develop the framework as introduced by R. Oaxaca confirming that ethnic wage differentials do exist. This result is useful in not only determining that differentials exist but also whom the differentials exist between. Further development of the source of the differentials will lead to insights of how to overcome them to further economic development in Nepal.

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Determining carbon abatement cost through the integration of remotely sensed land cover observations and Biogeochemical model

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Forests and soils are major sinks of carbon. Any changes in land use can affect the magnitude of above ground and below ground carbon stores and the net flux of carbon between the land and the atmosphere. This paper estimates the economic returns of carbon abatement through biological sequestration in the forests of Nepal under future REDD policy. Using sequential remotely sensed land cover observations and a biogeochemical model, this paper attempts to estimate contemporary and future ecosystem carbon trends. It applies the General Ensemble Biogeochemical Modeling System (GEMS) and examines how effective carbon sequestration could be through a sustainable forest management approach. This study uses a case example of the Bara district of Nepal for the period of 1970-2010. The land cover changes, especially forest stand replacing events are detected on 30 randomly located 10-km x 10 km sample blocks laid on the remotely sensed images, and were assimilated by GEMS for biogeochemical simulations. For a forest simulation unit, a Monte Carlo process is used to determine forest types, forest age, forest biomass, and soil C based on forest inventory and data analysis and general soil data. Preliminary results suggest that forest may be one of the least cost methods to abate carbon with a breakeven price range from \$0.55 to 3.70 per ton of CO₂. If local communities are paid this price to protect forest cover, it will provide good incentives to people for the sustainable management of forest resources of Nepal.

Patronage, Politics and Administration in Naya Nepal

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Hostility towards bureaucracy has been a durable feature, especially among political conservatives and economic liberals. They regard bureaucracy as a manifestation of big government and an instrument for governmental interference in the operations of the private sector. All who share this distaste believe that they are faced with some formidable problems through internal contradictions in the democratic political structure itself; especially created by the role of bureaucracy in it (Etzioni-Halevy, 1983). More often than not, academics and development experts see bureaucracy as a mechanism that acts against the spirit of democracy, a system that impedes the very process of democracy. This deduction has been carried over to comparative administration studies, which have assumed that an apparatus, which has the potential to overwhelm well-developed political institutions of the Western World, is more than likely to completely overshadow those weak, under-developed political institutions of new democracies and hinder their democratic growth. However, the case of Nepal proves it otherwise. Elected officials and not bureaucrats pose a formidable challenge to proper formation and functioning of democratic institutions in the country. Zakaria (2007, p. 102) had said that an untempered democracy has the capacity to threaten liberty and constitutionalism and his conclusion rings true in the case of Nepal. The already hollowed bureaucracy, that has undergone various cutbacks due to the advice of the International Aid Agencies operating in the region, totters further under increasing politicization. Efficient, effective and equitable bureaucratic operations are nonexistent. Political spoils have become the norm in the Nepalese bureaucratic system. Aggressive identity-based politics that have infiltrated every branch of government including the administrative branch undermine merit and modernity. In this backdrop, the Nepalese administrative state struggles in its quest for political development.

How has it evolved since the advent of multi-party democracy in 1990? What should be its role in the formation of “Naya Nepal”? How will a fractured, heavily politicized bureaucracy impact the process of democracy consolidation and constitution building? The paper seeks to answer these questions.